

**CITY OF MILACA
COUNCIL MINUTES**

June 24, 2024

Pledge of Allegiance

Call to Order Roll Call

Mayor Dillan called the meeting of the Milaca City Council to order at 6:30 p.m.

Upon roll call, the following council members were present: Mayor Dave Dillan, Councilors: Norris Johnson, Lindsee Larsen, Ken Muller. Councilor Laurie Gahm absent.

Staff present: City Manager Tammy Pfaff, City Treasurer Elizabeth Nealley, Communications Specialist Mary Mickelson, Assistant City Clerk Deloris Katke, Fire Chief Jesse Gerads, City Attorney Damien Toven

Others present: Chloe Smith, Ryan Schmidt of Schlenner, Wenner & Co., Dan Hollenkamp, Jesse Hadrava

Approval of Agenda

Mayor Dillan called for a motion to approve the agenda. Larsen made a motion for approval, seconded by Johnson. With no further discussion, all in favor of the approval of the agenda; motion passes.

Approval of Consent Agenda

Mayor Dillan called for a motion to approve the Consent Agenda of the following items:

- a. Approval of the Minutes – May 16, 2024 and Special Council June 4, 2024
- b. Approval of Bills

Johnson made a motion for approval of Consent Agenda, seconded by Muller. No further discussion. All in favor of the Consent Agenda; motion passes.

Citizen Open Forum

Mayor Dillan asked if anybody present wanted to address anything not on the agenda. No one came forward.

Requests and Communications: Auditors Presentation of the Audited Financial Statements: Ryan Schmidt from Schlenner Wenner & Co. Certified Public Accountants & Business Consultants gave presentation.

GENERAL FUND: Revenues did exceed budgeted amount by \$132,340 and Expenditures exceeded budgeted amounts by \$111,720. So, including transfers and revenues and expenditures, you budgeted for a slight increase of \$600 but you had an increase of \$51,220.

Revenues: The vast of your revenues come from Inter-governmental and taxes and assessments. Interest Income did fluctuate a lot and was over budget quite a bit was interest income and this is due to changes

in interest rate and the fair value dropped off last year and that is why you had an unrealized loss last year and now this year it swung back in the opposite direction and had a gain.

Expenditures: Public Safety was over budget about \$42,000. Capital Outlay was about \$100,000 over budget for various equipment purchases, skatepark, etc.

Unassigned Fund Balance as a Percentage of the Annual Budget: The fund balance policy you have at the end of the year in your general fund and your equity in your reserve fund -you have a policy in place that states you should have about 5 months of operating expenditures (about 42%). You dropped off a little bit from last year but you are still at 68% so you are still well above the policy.

Cash Trend Analysis: The cash balance looks like it went from 2.3 million down to 1.7 million so it looks like it dropped off but it really is not a significant change. The decrease of about \$117,000 for the year in just cash. This is due to payments to contractors, etc. but you did have \$1.75 million in cash at the end of the year in your General Fund.

Debt Service Fund: Revenue is from taxes and then expenditures for debt, principal and interest payments. Overall, a decrease of \$83,000.

Airport Road Project Fund: Revenues matched expenditures in the amount of \$138,405. This is a new fund for this year.

Water Enterprise Fund: Operating Revenues dropped off about \$27,000 from the prior year and the operating expenses just about held even. Overall, with the Nonoperating Revenues and Nonoperating Expenses, there was a decrease of about \$25,000.

Sewer Enterprise Fund: Very consistent operations from 2022. Revenue down about \$3600. Expenses down about \$600. Overall, you had a decrease of about \$75,000.

Liquor Enterprise Fund: Had an increase in net sales of about \$97,000 and operating expenses are up about \$17,000. Overall, we have operating income of about \$158,000 and after the nonoperating revenues and nonoperating expenses, you had a decrease of about \$32,000.

Mayor Dillan called for a motion to approve the Audited Financial Statements as of December 31, 2023. Motion made by Larsen, seconded by Muller. No further discussion. All in favor, motion passes to approve the Audited Financial Statements as of December 31, 2023.

Ordinances and Resolutions

Ordinance #523 – Amending Traffic Code Chapter 73 Sections 73.22 and 73.27 (Golf Carts) First Reading: Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Johnson. Mayor Dillan stated the biggest change is for three years and the sticker and the fee. No further discussion. All in favor of Amending Traffic Code Chapter 73 Sections 73.22 and 73.27 (Golf Carts). Motion passes.

Ordinance #524 - Amending Traffic Code Chapter 70 Section 70.11 (Mini Trucks and UTV's) First Reading: Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Larsen. Johnson asked how this ordinance would affect non-residents. City Manager Pfaff stated this was mostly for the residents of Milaca. If people just come in on their side by sides to get gas or eat, it would not apply to

them. No further discussion. All in favor of Amending Traffic Code Chapter 70 Section 70.11 (Mini Trucks and UTV's). Motion passes.

Ordinance #525 – Adding Motorized Golf Cart Fee to Chapter 34. Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Muller. No further discussion. All in favor of Adding Motorized Golf Cart Fee (and Mini Truck/UTV) to Chapter 34 (\$50 for 3 years). Motion passes.

Ordinance #526 – Amending Traffic Code Chapter 74 Schedule V Motorized Golf Carts; Restricted Areas First Reading: Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Johnson. No further discussion. All in favor of Amending Traffic Code Chapter 74 Schedule V Motorized Golf Carts; Restricted Areas. Motion passes.

Ordinance #527 – Amending Chapter 90 Recreation Section 90.04 (G) Disturbing the Peace-Conduct First Reading: City Attorney Toven stated this Ordinance may be more practical for law enforcement and city manager be the ones to make preliminary determination. And also bring in compliance with state statutes with charging. They certainly can still appeal to city council. Just makes the change that you and Quinn had talked about. Mayor Dillan called for a motion to approve. Motion by Larsen, seconded by Muller. No further discussion. All in favor of Amending Chapter 90 Recreation Section 90.04 (G) Disturbing the Peace-Conduct First Reading. Motion passes.

Ordinance #528-Interim Ordinance Prohibiting Acceptance or Consideration of Applications for New Cannabis and Cannabidiol Manufacturing and Cultivation Licensure-First Reading: Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Johnson. Mayor Dillan stated this is just to keep us ahead of this. City Manager Pfaff stated we need to get some zoning in place and to wait until the state gets all their regulations in place. No further discussion. All in favor of Interim Ordinance Prohibiting Acceptance or Consideration of Applications for New Cannabis and Cannabidiol Manufacturing and Cultivation Licensure-First Reading. Motion passes.

Resolution #24-15 Adopting the Drug and Alcohol Testing and Drug-Free Workplace Act Policy for Non-Commercial Drivers (Non-DOT): Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Larsen. No further discussion. All in favor of Resolution #24-15 Adopting the Drug and Alcohol Testing and Drug-Free Workplace Act Policy for Non-Commercial Drivers (Non-DOT). Motion passes.

Resolution #24-16 Resolution Approving 2024 Liquor/Tobacco/THC License-Kwik Trip: Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Larsen. No further discussion. All in favor of Resolution #24-16 Resolution Approving 2024 Liquor/Tobacco/THC License-Kwik Trip. Motion passes.

Resolution #24-17 Resolution Approving a Public Hearing for An Interim Ordinance Authorizing a Study and Imposing a Moratorium on the Acceptance or Consideration of Applications for New Cannabis and Cannabidiol Manufacturing and Cultivation Licensure: Mayor Dillan called for a motion to approve. Motion by Muller, seconded by Johnson. Mayor Dillan stated the Public Hearing will be Thursday, July 18 at 6:30 p.m. Mayor Dillan asked if this was to take the first step towards a moratorium. City Attorney Toven stated we introduce the Ordinance that the statue requires and we need to hold a public hearing before the moratorium can be enacted and if the public hearing goes well, at the next meeting it can be enacted. Mayor Dillan stated there is a lot of discussion county-wide and how everybody is going to address this. City Manager Pfaff stated all the city clerks and administrators, including herself, will be meeting with Dillan Hayes on July 23 at the courthouse. They will all sit down and discuss how this will

be handled. Mayor Dillan stated that by placing this moratorium that maybe at a later date there will be some guidance from the state. No further discussion. All in favor of Resolution #24-17 Approving a Public Hearing for An Interim Ordinance Authorizing a Study and Imposing a Moratorium on the Acceptance or Consideration of Applications for New Cannabis and Cannabidiol Manufacturing and Cultivation Licensure. Motion passes.

Reports of Departments, Boards and Commissions

City Manager –

Police - Police Incident Summary Report – nothing more

Parks –

Public Works -

Liquor Store –

Fire Department – Fire Chief Jesse Gerads stated that their golf tournament is July 13. Looking for sponsors and donations yet.

Planning and Zoning – City Manager Pfaff stated interviews were held with the applicants and the Planning Commission members voted in Mitchell Siemers and Jake Lepper. Mayor Dillan called for a motion to accept the votes for Mitchell Siemers and Jake Lepper. Motion by Larsen, seconded by Johnson. No further discussion. All in favor. Motion passes.

Airport-


New Business- Memo of Understanding in Reference to Resolution #24-15. City Manager Pfaff stated this is for the police union contract. Mayor Dillan asked if this would then wrap up the contract and City Manager Pfaff stated it will. Mayor Dillan called for a motion to approve. Motion by Johnson, seconded by Larsen. No further discussion. All in favor of Memo of Understanding in Reference to Resolution #24-15. Motion passes.

Miscellaneous

Council Comments - Mayor Dillan just reminded everyone of Music in the Park this Thursday at 6:30 p.m. in Rec Park and that there will be a food truck. July 1st, the representative from the design team will be here and spend the day in Milaca and go over how we are going to use the grant with the bypass area and downtown. One of the reasons we were chosen for this grant was due to the community support and so I am going to get them to as many people as I can to show the support. We meet here at 9 am. I have EDC members that will stop in or we will go to their businesses.

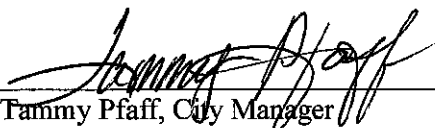
Adjourn:

Mayor Dillan called for a motion to adjourn. Motion made by Larsen, seconded by Muller to adjourn. No further discussion. All in favor, motion to adjourn passes. Meeting adjourned at 7:03 p.m.



Mayor Dave Dillan

Attest:



Tammy Pfaff, City Manager